

***RESOLUTION BY THE CALIFORNIA STATE LANDS COMMISSION
OPPOSING THE ABOLITION OF THE STATE LANDS COMMISSION AS
PROPOSED BY THE CALIFORNIA PERFORMANCE REVIEW***

WHEREAS, The California Legislature created the California State Lands Commission in 1938, composed of the Lieutenant Governor and State Controller, both statewide elected officials, and the Director of Finance, an appointee of the Governor, to manage and protect the state's school and sovereign lands (i.e. the beds of all naturally navigable rivers, lakes, and streams, as well as the state's tide and submerged lands along the state's more than 1,100 miles of coastline); and

WHEREAS, The 1930's discovery of corruption and fraudulent practices in management of the oil, gas and other mineral resources belonging to the state led the Legislature to establish the Commission as an independent entity with a membership of accountable, elected officials to prevent future abuse; and

WHEREAS, Since its inception, the Commission has fulfilled the mandate of its creation by managing thousands of revenue generating leases on public trust lands, generating in excess of \$7 billion, while protecting the resources of the state; and

WHEREAS, In managing California's lands, the Commission applies the public trust doctrine, which ensures that these lands are used for water-oriented commerce, navigation, and fisheries, water-oriented recreation, and preservation of land in a natural state; and

WHEREAS, Implementation of the public trust doctrine requires careful balancing of competing uses to ensure that the public trust lands best meet the needs of the citizens of the state; and

WHEREAS, On the lands within its care, the Commission protects and restores environmental values, improves public access to waterways, fosters ports that are crucial to California's economy, prevents oil spills from oil leases and marine terminals, prevents the importation of exotic species in ballast water, and generates revenue for the state; and

WHEREAS, The Report of the California Performance Review (CPR), released on August 3, 2004, includes recommendations to improve performance of state agencies and a plan for wholesale reorganization of state government; and

WHEREAS, The reorganization proposed by the CPR would abolish the State Lands Commission and split the Commission's management functions among three new proposed departments - the Department of Environmental Protection, the Infrastructure Department and the Department of Natural Resources; and

WHEREAS, Abolition of the Commission would eliminate the present system of decision making by elected officials at public hearings, open to scrutiny and input from the public, applicants, and the press, providing appropriate checks and balances to ensure that

decisions concerning public trust lands responsive to the needs of California; and

WHEREAS, Abolition of the Commission would eliminate public accountability for decisions related to the administration of public lands now being made by the Lands Commission in open public meetings. Concentrating decisions concerning oil, gas and mineral resources management and the use of lands for public trust purposes in non-elected staff would reinstate the management system which existed prior to the creation of the Commission; and

WHEREAS, Abolition of the Commission and transfer of the Commission's management functions to three departments would create inefficiencies in administration requiring redundant development of public trust expertise in several agencies and would lead to inconsistent administration of the public trust doctrine, a complex legal doctrine; and

WHEREAS, Abolition of the Commission and the transfer of the Commission's management functions to three departments would dissolve the Commission's effective, interdisciplinary team of public lands managers, which includes specialists in mineral resource management, surface management, boundary determination, structural engineering, natural sciences, safety management, marine terminal operations and oil spill prevention, and would require hiring of duplicative staff to assure that the expertise now commonly available at the Commission's "one-stop shop" would be available to the three departments being proposed for creation by the CPR; and

WHEREAS, Parts of the reorganization plan proposed by the CPR was previously rejected in reorganization proposals including Assembly Bill No. 2468 (1993-94) and the draft Governor's Reorganization Plan No. 1 (1995-96) both of which would have broken up the functions of the State Lands Commission; now, therefore, be it

RESOLVED, That the California State Lands Commission opposes the recommendation in the Report of the California Performance Review to abolish the State Lands Commission and distribute its functions among several agencies, urges the California Performance Review Commission to delete this recommendation from their final report to be presented to the Governor, and recommends that the Governor not include this recommendation in subsequent reorganization plans and other proposals; and be it further

RESOLVED, By concentrating decision-making concerning oil, gas and mineral resources management in non-elected staff, as proposed by the CPR, this reorganization would severely reduce public accountability and scrutiny of resource management decisions involving lands owned in trust by the State; and be it further

RESOLVED, That the Commission directs staff to review the recommendations of the Report of the California Performance Review as they pertain to General Government and Statewide Operations and support and implement those that improve services and productivity and further the efficiencies of the California State Lands Commission and those of government in general; and be it further

RESOLVED, That the Commission directs its Executive Officer to transmit copies of this resolution to the Governor of California; to the Co-Chairs of the California Performance Review Commission; to the Secretary for Resources; to the Secretary for Environmental Protection; Secretary of the Business, Transportation and Housing Agency; to the President pro Tempore of the Senate; to the Speaker of the Assembly; to the Senate Minority Leader; to the Chair of Senate Committee on Budget; to the Chair of the Senate Committee on Natural Resources and Wildlife; to the Chair of the Senate Committee on Governmental Organization; to the Chair of the Senate Select Committee on Government Oversight; to the Assembly Minority Leader; to the Chair of the Assembly Committee on Budget; to the Chair of the Assembly Committee on Natural Resources; to the Chair of the Assembly Select Committee on California Ports; to the Chair of the Joint Committee on Boards, Commissions and Consumer Protection; and, to the Chair of the Joint Committee on Legislative Budget.